

ANNUAL REPORT

AR44

1966 REICHHOLD CHEMICALS (CANADA) LIMITED

RAPPORT ANNUEL



OUR YEAR AT A GLANCE

	1966	1965
NET SALES	\$11,999,616	\$11,231,734
NET PROFIT FROM OPERATIONS	368,192	450,693
EARNINGS PER COMMON SHARE FROM OPERATIONS ¹	2.40	2.97
NET PROFIT	368,192	425,189
EARNINGS PER COMMON SHARE ¹	2.40	2.79
BOOK VALUE PER COMMON SHARE ²	22.43	20.61

¹After deduction for dividend on preference shares.

²After deduction for redemption value of preference shares.



O. J. MYERS
Chairman of the Board



G. L. HAGEN
President

To our Shareholders

WE are pleased to inform you that our earnings increased in the second half of the year, particularly in the fourth quarter. Based on our 1967 forecasts we expect this trend will continue. As you know from 1966 Quarterly Reports, earnings were hard hit in the first half of the year due to the rebuilding of the Toronto Plant after the fire in 1965. We estimate that the extra costs incurred as a result of this, such as high cost imports to keep our customers supplied, extra depreciation, high start-up costs, etc., amounted to \$.80 per common share after tax. Except for this our 1966 earnings would have been \$3.20 per common share rather than the \$2.40 actually reported—this compares with \$2.97 earned on operations in 1965.

Also while we know our sales were somewhat curtailed during the same period, we are pleased to say that the total sales of just under \$12 million dollars is a new record representing an almost 7% increase over 1965.

INVESTMENT IN PLANT

We feel that 1966 was a good growth year—the investment in plant and equipment of over \$1,200,000 made during the year should pay off handsomely in higher future earnings.

The largest portion of 1966's expenditure was for rebuilding the TORONTO ALKYD PLANT—Reichhold's first modest investment in Canada in 1949 and now the most modern Alkyd Resin Plant in the country.

The balance of NORTH BAY equipment costs were paid in 1966. Production started in January, 1966. While the main justification for the erection of this plant lies in the future growth of the forest products industry in Northern Ontario, its operations contributed to profits in 1966.

Just a year after our fifth plant came into operation at North Bay, we announced the first production batch from our SIXTH PLANT AT KAMLOOPS, British Columbia, in January, 1967. Again freight savings and future growth, this time in the British Columbia interior made this plant a must.

By the time this report reaches you, our NEW ALKYD-POLYESTER PLANT IN STE. THERESE should be in production. Here again the future growth of the market in Quebec convinced us that Reichhold should have the first non-captive production of Alkyds and Polyesters in the province.

Besides the above major projects other significant expenditures were made to increase capacity and efficiency of both FORMALDEHYDE units at Ste. Therese and Port Moody and on RESEARCH facilities and instrumentation at Toronto.

CURRENT OPERATIONS

We expect CAPITAL EXPENDITURES in 1967 to be considerably less than last year's all time high. The Government's unfavorable tax treatment on capital investment made prior to October 31, 1967 has influenced the timing aspect of our planning of new facilities. We have doubled our sales and number of plant locations and expanded existing plants appreciably in the last five years. During the next few months we will endeavour to ensure that all six of our plants are working to maximum efficiency before proceeding with new expansions.

Notwithstanding, if certain projects under study appear to be particularly attractive from the point of view of expected profits or if market conditions require it, naturally we will proceed as quickly as necessary.

This year we are strengthening our individual plant efforts in cost control through our national OPERATIONS CONTROL Program. Every area of plant operation including procurement, freight and production is being examined for improved efficiency and lower costs.

FINANCIAL

While most of the funds for our expansion have been generated internally, the expenditure of over \$2,000,000 in the last two years reduced our cash position. While more long-term debt was available, your Directors did not wish to commit the company to the very high interest rates which were prevalent last year—feeling

there would be an easing in the next year or two. Arrangements were made with our bankers to increase current borrowing. Already long-term interest rates are starting to decline from their 1966 high. It is anticipated therefore, that in the next two years our long term debt, which is now extremely low in relation to our overall position, will be increased.

As has been pointed out before, it is your Board's policy to plough back most of the earnings into the business, at the same time gradually increasing the DIVIDEND payout as the company's earning power grows. In line with this policy the quarterly dividend was raised to an annual rate of \$.60 in the last quarter of 1966.

RESEARCH

In the Fall issue of the Company publication "Retort", the increasing emphasis being placed on research was highlighted. A completely new research laboratory was set up last year at the Toronto Plant. We are continuing to make use of Government assistance—now with four National Research Council grants. The original two have been extended from 3 years to 5 years.

Despite a world-wide shortage of qualified personnel, particularly chemists, we are locating the people needed. The current expansion of research is based on a strong background of well developed product lines and technical information gathered from our own laboratories and from the world-wide research group of the Reichhold family of companies.

LONG RANGE PLANNING

In Canada's Centennial year most Canadians are looking forward and wondering what the future will bring. Coincident with the Centennial, we plan in 1967 the start of a new era of development for Reichhold. As part of our long range planning we have drawn all levels of management together in a closely coordinated program of striving to reach the goals of our five-year plan. We feel confident that continual review of our progress and close co-operation of research, sales, technical service and production people will ensure us of new successes.

OUR THANKS

We wish to acknowledge with heartfelt thanks the solid contributions that our employees have made to the growth and profitability of the company. Of course none of this would be possible without our good friends among our customers and we are very grateful to them. We also thank our very loyal shareholders who continue to exhibit enthusiasm for the company's activities, and the fourth group, which is very important to us, our suppliers, have been very helpful to us.

O. JAY MYERS
Chairman

GEORGE L. HAGEN
President



Installation of reactor at new
Kamloops, B.C. plant.

A nos Actionnaires.

Nous sommes heureux de vous annoncer que nos recettes se sont accrues au cours du dernier trimestre de l'année. D'après nos prévisions pour 1967, nous croyons que cette tendance s'accentuera. Ainsi que l'indiquaient nos rapports de 1966, nos recettes furent gravement touchées durant le premier semestre par suite de la reconstruction de notre usine de Toronto après le feu de 1965. Les dépenses supplémentaires qui en résultèrent comme le coût élevé de nos importations afin d'assurer l'approvisionnement de nos clients, la dépréciation additionnelle, le coût surélevé de démarrage, etc., représentent après les impôts, 80¢ par action ordinaire. Sans ces déboursés supplémentaires, nos recettes en 1966 auraient été de \$3.20 par action ordinaire plutôt que de \$2.40 tel que signalé - ce qui se compare favorablement aux profits de \$2.97 en 1965.

Quoique nous admettions aussi que nos ventes furent tant soit peu réduites au cours de la même période, nous avons le plaisir d'ajouter que notre chiffre de ventes de près de \$12 millions de dollars est un nouveau record qui représente presque 7% d'augmentation sur le chiffre d'affaires de 1965.

CAPITAL DE PLACEMENT DANS L'USINE

Nous croyons que 1966 fut une bonne année de développement — les capitaux de plus de \$1,200,000. engagés dans l'usine et l'outillage durant l'année devraient réaliser de beaux bénéfices à l'avenir.

La majeure partie des déboursés de 1966 fut employée à la reconstruction de l'usine ALKYDE de Toronto où Reichhold avait fait son premier modeste placement en 1949. C'est aujourd'hui l'usine ALKYDE la plus moderne du pays.

Le paiement du reliquat du coût d'outillage de l'usine de NORTH BAY fut effectué en 1966 et cette usine a commencé à produire en janvier de la même année. Quoique l'érection de cette usine pouvait surtout se justifier en considérant le développement futur de l'industrie des produits forestiers dans le nord de l'Ontario, il en résultait qu'en 1966, sa production augmenta nos profits annuels.

Un an à peine après l'ouverture de notre cinquième usine à North Bay, nous annonçons en janvier 1967 que notre SIXIEME USINE A KAMLOOPS en Colombie Britannique venait de produire sa première fournée. De nouveau, cette usine s'imposait afin de réduire les frais de transport et en considérant le développement futur, cette fois, de l'intérieur de la Colombie Britannique.

Au moment où vous recevrez ce rapport, notre nouvelle USINE ALKYDE - POLYESTER de SAINTE-THERÈSE devrait être en plein fonctionnement. Ici aussi, le développement futur du marché du Québec nous a convaincu que Reichhold devrait posséder la première usine de production non-captive d'Alkydes et de Polyesters dans la province.

En outre des grands projets ci-haut mentionnés, d'autres déboursés importants furent faits pour augmenter le débit et le rendement des deux unités de formaldéhyde de Sainte-Thérèse et de Port Moody, pour la RECHERCHE et l'emploi des instruments scientifiques à Toronto.

EXPLOITATION COURANTE

Nous espérons qu'en 1967 nos dépenses en immobilisations seront de beaucoup inférieures à celles de l'an dernier, les plus élevées de notre histoire. Nous avons dû reviser la planification de nos facilités à cause de la politique de taxation défavorable du gouvernement en ce qui concerne les placements de capitaux avant le 31 octobre 1967. Nous avons doublé notre volume de ventes ainsi que le nombre de nos usines et nous les avons sensiblement développées durant les cinq dernières années. Au cours des quelques prochains mois, nous nous efforcerons de voir à ce que nos usines fonctionnent au maximum avant même de penser à de nouvelles expansions.

Néanmoins, si certains projets à l'étude offrent un intérêt particulier du point de vue des bénéfices à espérer ou si les conditions du marché l'exigent, nous agirons évidemment aussi rapidement qu'il nous semblera nécessaire.

Cette année, nous affermissons dans chaque usine nos efforts pour le contrôle du coût grâce à notre Programme National de CONTROLE DES OPERATIONS. Chaque partie de l'exploitation d'une usine, y compris l'approvisionnement, le transport et la production, sera étudiée dans le but d'en améliorer l'efficacité et d'en abaisser le coût.

FINANCES

Bien que la majorité des fonds requis pour notre développement nous soient venus de l'intérieur, les déboursés de plus de \$2,000,000. durant les deux dernières années ont affaibli notre position financière liquide. Des emprunts à long terme étaient disponibles, mais vos Directeurs ont préféré ne pas engager la société à des taux d'intérêt si élevés l'an dernier - croyant qu'il y aurait détente au cours des deux années futures. Nous avons augmenté, grâce à nos banquiers, nos emprunts courants. Déjà, l'on remarque que le taux d'intérêt sur prêts à long terme commence à baisser depuis 1966. Nous prévoyons, par conséquent, qu'au cours des deux prochaines années, notre dette à long terme, actuellement très basse si l'on considère notre position générale, pourra être augmentée.

Ainsi que mentionné précédemment, la politique de votre Direction est de replacer la plupart des bénéfices dans l'entreprise, tout en accroissant en même temps les dividendes au fur et à mesure que la productivité de nos capitaux augmente. C'est ainsi que le dividende trimestriel du dernier trimestre de 1966 a été haussé au taux annuel de 60 cents.

LA RECHERCHE

L'importance croissante de la Recherche fut mise en vedette dans le numéro d'automne de la revue de la Société intitulée, "Retort". Un tout nouveau laboratoire de recherches a été installé l'an dernier dans notre usine de Toronto. Nous continuons aussi d'accepter l'aide gouvernement qui nous accorde maintenant quatre subventions par l'entremise du Conseil National des Recherches. Les deux subventions originales ont été prolongées de 3 à 5 ans.

Malgré la pénurie mondiale de personnel compétent, particulièrement chez les chimistes, nous réussissons quand même à trouver les personnes qu'il nous faut. L'expansion actuelle de la recherche a pour base une solide réputation pour des produits bien développés et des renseignements techniques cuillis dans nos propres laboratoires ainsi que du groupe de spécialistes de la recherche de la famille d'entreprises Reichhold réparties à travers le monde.

PLANIFICATION A LONG TERME

Durant L'année du Centenaire du Canada, la plupart des Canadiens attendent avec impatience et se demandent ce que l'avenir amènera. Coïncidemment avec le Centenaire, nous projetons de développer en 1967 une nouvelle ère de développement pour Reichhold. Une partie de cette planification à long terme rassemble les administrateurs à tous les niveaux dans un programme très bien coordonné qui s'efforcera d'atteindre les objectifs de notre plan quinquennal. Nous sommes convaincus qu'une revision continue de notre progrès et qu'une entière coopération de la part de notre personnel de recherche, de la vente, des services techniques et de la production nous assureront de nouveaux succès.

REMERCIEMENTS

Nous désirons reconnaître les importantes contributions de la part de nos employés et les remercier du fond du coeur pour avoir ainsi permis à la Société de s'accroître profitablement. Ceci n'aurait pu être réalisé, évidemment, sans nos bons amis et clients et nous leur en sommes reconnaissant. Nous remercions de même nos actionnaires si loyaux qui démontrent toujours tant d'enthousiasme pour les activités de la société ainsi que le quatrième groupe, aussi très important, nos fournisseurs qui nous sont très utiles.

O.. JAY MYERS
Président du Conseil

GEORGE L. HAGEN
Président



REICHOLD CHEMICALS (CANADA) LIMITED

10 YEAR FINANCIAL REVIEW

(thousands of dollars)

	1966	1965	1964	1963	1962	1961	1960	1959 ³	1958	1957
Net Sales	\$12,000	\$11,231	\$9,713	\$7,559	\$6,684	\$6,436	\$5,917	\$5,499	\$5,810	\$4,862
Profit (loss) before income, taxes & special items	677	908	895	632	355	(120)	78	371	490	204
Special profit (loss) items	—	(25)	—	(65)	110	—	—	—	—	—
Net profit (loss) after income taxes	368	425	444	250	247	(80)	39	188	262	107
Expenditures on Fixed Assets	1,217	868	675	481	154	188	344	184	214	195
Provision for depreciation	479	418	329	285	231	229	209	185	183	178
Fixed Assets at net book value	3,842	3,114	2,664	2,354	2,257	2,349	2,417	2,066	2,068	2,036
Earnings per common share- Based on shares out- standing at each year end. ¹	\$2.40	\$2.79	\$2.92	\$1.57	\$1.55	\$(.64)	\$.01	\$1.14	\$2.18	\$.80
Dividends paid per common share	\$.575	\$.50	\$.45	\$.30	\$.15	\$.15	\$.30	\$.20	\$.20	\$ —
Book value per common share ²	\$ 22.43	\$ 20.61	\$18.54	\$16.07	\$14.80	\$13.39	\$14.18	\$14.38	\$12.51	\$10.31

¹ After deduction for dividend on preference shares.

² After deduction for redemption value of preference shares.

³ Became Public Company.



REICHHOLD CHEMICALS (CANADA) LIMITED AND SUBSIDIARY

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND RETAINED EARNINGS

Year ended December 31, 1966
with comparative figures for 1965

	1966	1965
Net Sales	\$11,999,616	\$11,231,734
Cost of sales	<u>9,527,553</u>	<u>8,628,249</u>
Gross profit	2,472,063	2,603,485
Selling, general and administrative expenses	<u>1,728,009</u>	<u>1,593,284</u>
Net operating profit	744,054	1,010,201
Other expenses (income):		
Debenture interest (note 3)	39,625	44,375
Other interest	35,457	5,738
Expenses of idle Phthalic Anhydride Plant	—	67,524
Loss on disposal of fixed assets	10,803	512
Sundry—net	<u>(19,115)</u>	<u>(16,451)</u>
	66,770	101,698
Profit before income taxes and special item.	<u>677,284</u>	<u>908,503</u>
Income taxes:		
Current	50,092	284,210
Deferred (note 4)	<u>259,000</u>	<u>173,600</u>
	309,092	457,810
Net profit before special item	<u>368,192</u>	<u>450,693</u>
Write-down of idle plant and equipment, net of deferred taxes on income	—	25,504
	—	25,504
Net profit	<u>368,192</u>	<u>425,189</u>
Retained earnings at beginning of year	1,836,155	1,538,917
	<u>2,204,347</u>	<u>1,964,106</u>
Deduct:		
Write-off excess of cost over recorded equity of subsidiary at date of acquisition	—	32,324
Dividends:		
50¢ per share on preference shares	23,750	23,750
57½¢ (1965-50¢) per share on common shares	82,659	71,877
	<u>106,409</u>	<u>95,627</u>
	106,409	127,951
Retained earnings at end of year	<u>\$ 2,097,938</u>	<u>\$ 1,836,155</u>
Included in the above statement are the undernoted expenses:		
Depreciation	\$ 478,591	\$ 417,601
Directors' remuneration including salaries as officers of the company	86,700	75,100

See accompanying notes to consolidated financial statements.



REICHHOLD CHEMICALS (CANADA) LIMITED AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET

December 31, 1966 with comparative figures for 1965

ASSETS

	<u>1966</u>	<u>1965</u>
CURRENT ASSETS:		
Cash	28,756	\$ 50,490
Marketable securities, at cost (quoted value \$19,500; 1965-\$20,000)	25,000	25,000
Accounts receivable:		
Trade	1,806,073	1,454,803
Other	42,705	199,651
	<u>1,848,778</u>	<u>1,654,454</u>
Less allowance for doubtful accounts	100,000	75,000
Net receivables	<u>1,748,778</u>	<u>1,579,454</u>
Income taxes recoverable	93,468	—
Inventories, at the lower of cost or net realizable value	1,875,135	1,559,441
Prepaid expenses	185,031	148,665
Total current assets	<u>3,956,168</u>	<u>3,363,050</u>
5% special refundable tax	30,400	—
Fixed assets, (note 2):		
Land, buildings and equipment	6,456,502	5,388,568
Less accumulated depreciation	<u>2,614,680</u>	<u>2,274,511</u>
	<u>3,841,822</u>	<u>3,114,057</u>
	<u><u>7,828,390</u></u>	<u><u>\$6,477,107</u></u>

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the consolidated balance sheet of Reichhold Chemicals (Canada) Limited and subsidiary as of December 31, 1966 and the consolidated statement of profit and loss and retained earnings for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and consolidated statement of profit and loss and retained earnings present fairly the financial position of the companies at December 31, 1966 and the results of their operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Also, in our opinion, the accompanying consolidated statement of source and application of funds presents fairly the information shown therein.

Toronto, Ontario
February 28, 1967

PEAT, MARWICK, MITCHELL & CO.
Chartered Accountants

LIABILITIES

	<u>1966</u>	<u>1965</u>
CURRENT LIABILITIES:		
Bank advances, secured.	\$1,039,692	200,000
Accounts payable and accrued expenses.	1,544,703	1,334,911
Due to associated company, Reichhold Chemicals Inc., (U.S. funds \$267,561: 1965-\$264,901)	288,082	285,383
Income taxes payable.	—	173,517
Other taxes payable.	15,675	13,841
Total current liabilities.	<u>2,888,152</u>	<u>2,007,652</u>
Secured sinking fund debentures (note 3):		
5% due January 1, 1967	—	50,000
5 3/4% due January 1, 1973	450,000	450,000
	<u>450,000</u>	<u>500,000</u>
Deferred taxes on income (note 4)	766,300	507,300
Shareholders' equity:		
Capital stock (note 5):		
5% redeemable cumulative preference shares of a par value of \$10 each.		
Authorized and issued 47,500 shares.	475,000	475,000
Common shares of a par value of \$2 each.		
Authorized 762,500 shares; issued 143,750 shares.	287,500	287,500
	<u>762,500</u>	<u>762,500</u>
Contributed surplus	863,500	863,500
Retained earnings	2,097,938	1,836,155
Total shareholders' equity	<u>3,723,938</u>	<u>3,482,155</u>
	<u>\$7,828,390</u>	<u>\$6,477,107</u>

See accompanying notes to consolidated financial statements.

Approved on behalf of the Board:
G. L. HAGEN, *Director*
D. G. McNABB, *Director*

REICHHOLD CHEMICALS (CANADA) LIMITED AND SUBSIDIARY

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Year ended December 31, 1966
with comparative figures for 1965

	<u>1966</u>	<u>1965</u>
Funds provided from operations:		
Net profit	\$ 368,192	\$ 425,189
Add charges not requiring cash expenditure:		
Depreciation	478,591	367,097
Loss on disposals of fixed assets	10,803	512
Deferred income taxes	259,000	173,600
Write down of idle plant and equipment, net of additional depreciation of \$50,504, and deferred taxes	—	25,504
	<u>748,394</u>	<u>566,713</u>
	<u>1,116,586</u>	<u>991,902</u>
Used as follows:		
Dividends on preferred and common shares	106,409	95,627
Additions to plant and equipment (net of proceeds on disposals)	1,217,159	868,301
Retirement of long term debt	50,000	50,000
Reduction of deferred taxes on income on transfer to current liabilities	—	5,200
5% special refundable tax paid	<u>30,400</u>	<u>—</u>
	<u>1,403,968</u>	<u>1,019,128</u>
Decrease in working capital	<u>\$ 287,382</u>	<u>\$ 27,226</u>

	<u>1966</u>	<u>December 31, 1965</u>	<u>Increase (Decrease)</u>
Working Capital Changes			
Current assets	\$3,956,168	\$3,363,050	\$593,118
Current liabilities	<u>2,888,152</u>	<u>2,007,652</u>	<u>(880,500)</u>
	<u>\$1,068,016</u>	<u>\$1,355,398</u>	<u>\$287,382</u>

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1966

1. SUBSIDIARY

The subsidiary is Varcum Chemical Corporation (Canada) Limited which is wholly-owned.

2. FIXED ASSETS

The fixed assets of the company are recorded at cost less accumulated depreciation except for the fixed assets of the Varcum Division which assets are recorded on the basis of an appraisal made by the Manufacturers' Appraisal Company as of July 1, 1959 in the amount of \$224,591 with subsequent additions at cost. Depreciation has been provided from July 1, 1959 on the total of appraisal amount at that date and on the cost of subsequent additions.

3. SECURED DEBENTURES

Principal instalments of \$50,000 on the secured sinking fund debentures are payable annually on January 1 each year. The instalment due January 1, 1967 was paid prior to December 31, 1966. Interest in addition to 5 3/4% is payable on the secured debentures at the rate of 1/4 of 1% per annum for each \$25,000 by which the net profit of the company (before charging the additional interest) exceeds \$100,000, to a maximum of 3%. Additional interest of 2 1/2% has been provided in the accounts with respect to 1966. The debentures are secured by a floating charge on all assets of the company excepting assets to a maximum of \$1,600,000 which may be used as security for current obligations.

The supplemental deed of trust dated October 15, 1962, securing the debentures provides for certain restrictions on the payment of dividends, other than stock dividends, declared subsequent to December 31, 1961. At December 31, 1966 consolidated retained earnings not restricted under the most stringent of these provisions amounted to \$828,936.

4. DEFERRED TAXES ON INCOME

Deferred taxes on income of \$259,000 in the statement of profit and loss and retained earnings result from claiming for income tax purposes allowances greater than depreciation recorded in the accounts. This amount is included in "Deferred taxes on income" in the balance sheet and is applicable to future periods in which amounts claimed for depreciation for tax purposes may be less than amounts recorded in the accounts.

5. CAPITAL STOCK

The 5% redeemable, cumulative preference shares are redeemable at the company's option at \$10.50 per share. The preferred shares do not carry voting rights except that if dividends fall in arrears two or more years, the holders of such shares are entitled to five votes each per share held.

REICHOLD CHEMICALS (CANADA) LIMITED

PLANTS & SALES OFFICES

Ste. Therese de Blainville, Quebec
Lindsay, Ontario
Weston, Ontario
North Bay, Ontario
Kamloops, British Columbia
Port Moody, British Columbia

DIRECTORS

R. J. Adams	Treasurer, Reichhold Chemicals (Canada) Limited
S. H. Baum	President, Reichhold Chemicals Incorporated
L. O. Blackburn	Vice-President, Eastern Division, Reichhold Chemicals (Canada) Limited
G. L. Hagen	President, Reichhold Chemicals (Canada) Limited
D. G. McNabb	Executive Vice-President, Reichhold Chemicals (Canada) Limited
O. J. Myers	Vice-President, Reichhold Chemicals Incorporated
H. H. Reichhold	Chairman of the Board, Reichhold Chemicals Incorporated
B. W. Shields	Member, Law Firm of Tory, Tory, Deslauriers & Binnington
R. T. Urich	Vice-President, Sales, Reichhold Chemicals Incorporated
W. A. Weismann	Vice-President, Sales Promotion, Reichhold Chemicals Incorporated

OFFICERS

O. J. Myers	<i>Chairman of the Board</i>
G. L. Hagen	<i>President</i>
D. G. McNabb	<i>Executive Vice-President</i>
L. O. Blackburn	<i>Vice-President, Eastern Division</i>
W. A. Weismann	<i>Vice-President, Sales Promotion.</i>
L. Roy	<i>Vice-President, Sales Eastern Division</i>
B. W. Shields	<i>Secretary</i>
R. J. Adams	<i>Treasurer</i>

Registrar and Transfer Agent,
Preferred Stock:
Registrar and Transfer Agent,
Common Stock:
Auditors:

Goetz, Goetz and Foley, Detroit, Michigan

National Trust Co. Ltd., Toronto, Montreal, Vancouver
Peat, Marwick, Mitchell & Co., 4 King St. W., Toronto

OUR COVER - THE CPPA PAVILION AT EXPO '67

Imaginative thinking, by Peter M. Acres, Montreal architect, has gone into the design of the pavillion of the Canadian Pulp and Paper Association constructed at Expo '67. The two-storey building represents a stylized forest of evergreen trees, towering as high as 90 feet, colored in serveral shades of green and illuminated at night.

A unique coating and application was required to protect and texture decorate the evergreen stylized forest. Laurentian Coatings Incorporated formulated Acrylex with Reichholds' Wallpol 40-124 and, was applied by Laurentians' franchised applicator, John Davidson and Sons, combined to make a very successful permanent decorative finish.

Many more buildings of exciting and unusal design along with dozens of other attractions make a visit to Expo '67 a must this year. And of course, Montreal is worth visiting anytime. Why not make your Centennial project a trip to Expo '67.





REICHHOLD FOR '67

